A labour-intensive sector characterised by cost competitiveness in a global market and product innovation

The textiles, clothing and leather sector includes:

- preparation and spinning of textile fibres, textile weaving and finishing, and the manufacture of made-up textile articles;
- manufacturing clothing (wearing apparel) and accessories, including tailoring; and
- the manufacture of leather and related products (imitation leathers or leather substitutes) including footwear and luggage, as well as the dressing and dyeing of fur and the transformation of hides into leather.

The sector in the EU is as diverse as the products it produces. It serves a broad range of specialist and mass production markets (nationally and internationally) that respond to fashion and style (such as clothes and soft furnishings) and technical specifications (such as protective clothing and factory work wear). The textile element of the sector ‘is more capital intensive and produces relatively higher added value’, while the clothing and leather parts of the sector ‘create relatively more jobs’.

Overall sector decline is forecast – but with over 600,000 jobs available up to 2025

Europe has already lost many jobs in garment manufacturing to Asian countries, and increasing international trade is affecting employment levels (to differing degrees) across countries. The overall textiles, clothing and leather sector in the EU has declined substantially in size over the last decade – and this trend is forecast to continue, albeit at a slower rate, from 2013 to 2025. In 2003, there were estimated to be nearly 4 million people in the EU working in the sector. Over the last decade, the level of sector employment has shrunk by 37% to just under 2.5 million people.

Even with shrinking employment levels, the need to replace nearly 1 million workers forecast to retire or leave the sector for other reasons means that 611,000 job openings are anticipated across the EU-28 countries up to 2025 (see Table 1).
The national perspective

The sector has not just declined – it has also evolved in focus in a way that has important skills implications. The response of the sector to global pressure has centred on:

- The move to higher value-added goods (such as innovative industrial textiles or niche products).
- The sub-contracting of labour-intensive work or relocation of production facilities (firstly towards lower labour-cost zones in central and eastern Europe and then to the pan-Euro-Mediterranean zone).
- The use of labelling to underline respect of labour and environmental regulations.
- The enforcement of intellectual property rights to help counter large-scale copying or counterfeiting of designs, models, brands and trademarks – especially pertinent to countries such as Italy, which have substantial luxury and designer clothing and footwear industries.

Among the 25 EU countries for which data is available, all except Latvia are projected to experience a decline in the overall number of jobs in the textiles, clothing and leather sector between 2013 and 2025. Italy remains the principal textiles, clothing and leather manufacturing Member State, generating around one third of EU-27 value added in this sector in 2010 and an estimated quarter of jobs (24%) in 2013. In Italy, over a third of the current workforce is forecast to leave the industry by 2025. Taken alongside an overall decline in the sector in Italy – meaning that around 72,300 jobs will be lost through contraction in the sector – it means that some 140,470 job openings are anticipated (see Figure 1).

Romania, which has the second largest textiles workforce in the EU after Italy, is forecast to have 87,150 job openings over the same period. It is followed by Bulgaria, Germany and Spain. The number of job openings largely reflects the relative size of the sector at national level.

Across the EU-28, the total number of job openings by 2025 represents a quarter (24.5%) of the 2013 workforce. In some countries, there is a larger share of job openings relative to the size of the sector, usually because there are especially acute replacement needs. In the relatively small textiles, clothing and leather sector in Latvia, the one country forecast to have net employment growth, the forecast job openings represent 65% of the current workforce. It is followed by Croatia, where forecast job openings represent 42% of the workforce, Greece (39%), the United Kingdom (39%) and Lithuania (36%).

Changing skill needs associated with the re-balanced sector

It was estimated that in 2013 just over a third of people employed in the textiles, leather and clothing sector were in craft and related occupations (873,440 employees) and just under a third were plant and machine operators and assemblers (787,530 employees). Around one in ten people working in the sector were technician and associate professional occupations (233,370).

Over 300,000 of the existing craft jobs in the sector are forecast to disappear by 2025, alongside around 100,000 of the plant and machine operator jobs. However, there is anticipated to be growth in the technician and associate professional occupational group, as well as among professional occupations and the currently-small service and sales worker category.

As such, future job openings will mainly require high- or medium-level qualifications, reflecting that the sector in the EU generally is moving towards high-value design and production techniques. There are anticipated to be:

- 223,000 jobs requiring high-level qualifications (37% of all job openings), including 91,000 new jobs and 132,000 replacement jobs;
- 347,000 jobs requiring medium-level qualifications (57% of all job openings), including a decline of -132,000 jobs balanced by the need to replace 478,000 existing members of the workforce;
- 41,000 jobs requiring low-level qualifications (7% of all job openings), based on -294,000 jobs lost and a forecast replacement need for 336,000 jobs.
In 2012, the European Skills Council – Textile Clothing and Leather identified expectations for future skill needs based on a series of scenarios for how the sector in Europe might progress towards 2020:

- What were once secondary competencies are coming to the fore – such as the increasing importance of logistics and commercial skills, reflecting that, for many companies, ‘trade has taken the place of production’.
- Technical production competences remain central to recruitment and training plans, although with increased focus on the demand for motivated and versatile staff who, given the overall decline in staffing levels, can operate across different workstations to meet shortages.
- A priority focus on basic skills linked to recruitment difficulties, the characteristics of the workforce and changes in work organisation (including an increased focus on ICT).
- A general focus on technology, innovation and sustainability.

Technological change is having significant implications for the sector linked to innovation in delivering mass-customisation and intelligent textiles, which is a major growth area. Other technology-led areas of innovation in recent years have included:

- the integration of 3D body measurement;
- advanced CAD and eCommerce technologies;
- internet infrastructures for custom-tailored clothing;
- supporting business-to-consumer eCommerce among SME retailers.

The sector has also been impacted by moves to reduce the environmental impact of conventional technologies used as part of the textiles production process and to meet consumer demand for sustainable consumption. This includes reassessing the use of chemicals in textile and leather production, as well as clothing and footwear manufacturers reorganising logistic systems due to rising energy prices and consumers who are increasingly aware of the environmental and social effects of production.

1 Eurostat, NACE Rev 2
3 Cedefop (2014)
4 No data is available for Malta. Only partial data is available for Luxembourg and Cyprus.
6 The European Technology Platform for the Future of Textiles and Clothing
7 The EU Information Society Technologies Programme
8 In the context of the REACH Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals